

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

SB 2265 – HB 2422

February 1, 2012

SUMMARY OF AMENDMENT (011860): Extends, from June 30, 2012, to June 30, 2014, the expiration date for the authority of Hamilton, Knox, and Shelby counties, Chattanooga, Knoxville, Memphis, and Metropolitan Nashville to sell bonds at private sale with the discretion and approval by the governing body of the local government. Authorizes any local government to petition the state funding board for permission to sell bonds at private sale by the discretion and approval of the governing body of the local government.

FISCAL IMPACT OF ORIGINAL BILL:

Increase Local Expenditures – Exceeds \$100,000/Permissive

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Unchanged from the original fiscal note.

Assumptions applied to amendment:

- This bill will assist these local governments in accounting for volatility in the current market.
- It is estimated that authorizing the use of private placement or negotiated sale of bonds will result in a permissive increase in local expenditures exceeding \$100,000. A more precise estimate is not possible because of fluctuating market conditions.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise".

Lucian D. Geise, Executive Director

/jdb